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MICROENTERPRISE RESULTS REPORTING

QUARTERLY REPORT:

JANUARY - MARCH 2013

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Contractor:	DAI/Nathan Group (DNG), implemented by DAI
Subcontractor:	QED Group, LLC
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LIST OF ACRONYMS

CO	Contracting Officer
COR	Contracting Officer's Representative
MRR	Microenterprise Results Reporting
USAID	United States Agency for International Development
DNG	DAI/Nathan Group - Joint Venture
GBTI II	Global Business, Trade and Investment II
PAT	Poverty Assessment Tool
PPI	Progress out of Poverty Index
DCA	Development Credit Authority
MPEP	Office of Microenterprise & Private Enterprise Promotion
E3	Bureau for Economic Growth, Education & Environment
PAICO	Policy Analysis, Implementation and Communications (PAICO) Program
LPA	Bureau for Legislative and Public Affairs

INTRODUCTION

The current Microenterprise Results Reporting (MRR) contract is a 32 month activity, starting on Sept 27, 2010 and ending on May 26, 2013. MRR is contracted to the DAI/Nathan Group joint venture (DNG) through Task Order number AID-OOA-TO-10-00050 under the Global Business, Trade and Investment II (GBTI II) IQC, (EEM-I-00-07-0009-00). With approval from Nathan Associates and the DAI/Nathan Group, DAI is performing as lead contractor on MRR. QED Group, LLC is subcontractor to DAI. The project is in its final months at the time of this report.

Through the Microenterprise Results Reporting (MRR) system and project, USAID collects and analyzes funding data on its global investments and impact in microenterprise development, and is able to respond to Congress's requirements in this regard. In 2000, the US Congress signed the Microenterprise for Self-Reliance and Anti-Corruption Act – establishing microenterprise development as an integral part of US foreign assistance strategy. Not only does MRR produce USAID's annual Microenterprise Results Report to Congress, but it responds to inquiries about USAID's microenterprise investments – conducting various kinds of data analysis and reporting. The project maintains the MRR website, an integrated web-based database to collect and process accurate, timely information from missions and partners on funding, institutional data, results, and other requirements (www.mrreporting.org). The MRR project has four main tasks: a) Tracking of Estimated and Actual Obligations; b) Microfinance, Enterprise Development and Enabling Environment Institution Tracking; c) USAID Microenterprise Results Reporting; d) Microenterprise Results Reporting Website.

QUARTERLY PERFORMANCE

PROJECT MANAGEMENT

Project activities are in synch with the timetable in **Annex A – Project Timeline**. In March, USAID provided labor category approval for two personnel, DAI's TK May and Satyadev Malladi, who will manage the MRR database and query development for the final months of the project. USAID also issued a third contract modification in March, reducing the total ceiling for the project, and modifying the budget and schedule of workdays ordered accordingly.

Deliverables

In November 2012, the project submitted the Annual Workplan for Year 3. USAID has not provided written approval yet for this deliverable, so in the absence of

questions or comments, DAI assumes approval, as all activities are coordinated with USAID and are on schedule. All deliverables are on schedule, per the table below:

MRR project deliverables		Date submitted
1.	operations manual detailing the process for data collection, validation, analysis, and report writing within two months after award. The operations manual shall be updated annually;	11/19/2010; 1/18/2012; 10/17/2012
2.	annual work plan within two months after award outlining major MRR activities and milestones. The work plan shall be updated at least annually or more frequently if needed;	11/19/2010; 10/14/2011; 11/05/2012
3.	annually updated database and annotated tables on USAID funding of microenterprise development and support institutions for microfinance and business services;	06/30/2011; 06/30/2012
4.	updated list of all institutions receiving USAID assistance for microenterprise development within six months after award;	03/31/2011; 06/30/2012
5.	annually updated historical series on USAID microenterprise funding;	06/30/2011; 06/30/2012
6.	annual report on the Agency's microenterprise activity, the contents of which will vary by year but generally will include: a narrative description of the USAID supported microenterprise activities, key results achieved by the Agency, a summary of the MRR data, and statistical annexes on key aspects of the programs	06/30/2011; 06/30/2012
7.	updated MRR web site easily accessible on both the intranet and internet within six months after award;	03/31/2011; 06/30/2012
8.	ten to twenty data reports/analyses per year for posting on any USAID website, as directed by the COTR; and	ongoing
9.	quarterly reports highlighting the major achievements and challenges from the reporting period.	ongoing

Project Close Down

During the quarter, the project began detailed planning for project close down. The project will end on May 26th, 2013, so at the time of this report, there are under two months remaining. Some specifics related to project close down plans are as follows:

- **MRR Annual Report to Congress, FY 2012** - The team is preparing the MRR Annual Report to Congress, FY 2012, that will fully address the 12 reporting requirements in the MRAA legislation, with analysis of funding data from the 36 Missions selected for the FY 2012 reporting cycle, along with results and project-level data from their reporting implementing partners. Given the early end date on the project (May 26th, with the report due to Congress on June 30th), and the reduced project budget in year three, the MRR team will not be responsible for printing the FY 2012 report. USAID will manage this in house (as was the case for FY 2011 as well).
- **MRR Methodology and Statistical Annexes, FY 2012** – The team will produce an abbreviated version of the MRR Methodology and Statistical Annexes for FY 2012. This report is not submitted to Congress, and is not congressionally mandated, so USAID has requested an abbreviated version of this report as of FY 2011 (where the “Annexes” were much shorter than in previous years, and for the first time, were not printed and bound). Per the standard MRR data collection and reporting cycle, the MRR team has typically produced the “Annexes” after the MRR Annual Report to Congress is finalized and submitted to Congress, typically in July – August. With the compressed calendar in the final year of the project, the team will no longer be available as of May 26th, so it will not be possible to produce extensive and detailed “Annexes” of FY 2010 and prior. Therefore, the “Annexes” for FY 2012 will describe the FY 2012 methodology and present additional and raw data in an abbreviated fashion.
- **Final Project/Progress Report** – The team will submit the project’s final report to USAID in May, summarizing project activities and accomplishments over the life of the project, while also reporting on lessons learned and recommendations for USAID.
- **Update Operations Manual and Technical Guide to the MRR database** – DAI will do a final round of updating to the MRR Operations Manual and the Technical and Database Guide that was newly developed in Year 3 of the project to aid in the transition from one MRR Database Administrator to another. This document will be very useful for USAID and any further contractor(s) who may work directly on MRR in the future. While the team is only required to update the Operations Manual once per year, which the team has already done for year 3, DAI plans to do a final round of updating to both of these documents before closing out the project and turning everything over to USAID. It does not appear that there will be any overlap between the current MRR team and any subsequent team or project, so these documents

will be critical for knowledge transfer and will be very important for any potential future MRR-related personnel.

- **Transition of MRR website and database** – There are insufficient funds in the project budget for DAI to be able to “pay forward” on the monthly hosting costs for the MRR website in order for it to be actively accessible online after the current project ends. With this, the website will go offline as of June 1. However, DAI has paid forward on the domain hosting through December 2013, so the website can be readily brought back online (with Peer 1 or any other web hosting provider) using the same web address/domain (mrreporting.org) anytime between June and December without any complications. DAI will review all of the website source code and documentation for completeness and will turn all of the website-related files and database to USAID before project close out.
- **Development Experience Clearinghouse** – DAI will conduct an audit of DEC to assure that all relevant project deliverables are uploaded and available.
- **Disposition of property** – DAI will propose a disposition plan for the two laptops that USAID purchased under the current MRR project, as these are non-expendable USAID property.
- **Subcontractor and vendor close out** – DAI will review all vendor and subcontractor deliverables for completion and approval, and will audit and close all subcontractor and vendor financials.
- **LOE tracking and workdays ordered/delivered** – Within the final days of the project, DAI will prepare and submit a final report of LOE and workdays delivered.

TASK A – TRACKING OF ESTIMATED AND ACTUAL OBLIGATIONS

Task A – the tracking of estimated and actual obligations – which the MRR team refers to as “Mission level data collection” – is the first phase of MRR’s annual data collection cycle. This phase of MRR’s annual Fiscal Year data collection is to track USAID obligations by reaching out to USAID Missions and Offices who may have obligated funding towards microenterprise programming during a given fiscal year.

MRR launched FY 2012 Mission level data launch on October 17, 2012. This launch date is significantly earlier than in previous years, given the MRR project’s end date of May 26th, 2013, (with the actual MRR Annual Report to Congress being due to Congress on June 30th of each year). Given this discrepancy in dates, USAID and the MRR project shifted the annual reporting calendar forward by about 6 weeks (the

FY 2011 cycle was launched in early December 2011, and the FY 2010 cycle was launched in mid-November 2010). Since FY 2012 ended on Sept 30, 2012, it was not possible to launch data collection until sometime in October.

FY 2012 Mission level data collection includes a sample of 36 Missions/countries identified in collaboration with USAID for inclusion in MRR's FY 2012 reporting cycle, presented below in **Annex B – FY 2012 MRR Mission List**. With permission from Congress, USAID reduced the MRR reporting universe in this way, as a means of reducing the cost of MRR to the US Government. With this, USAID aimed to report to Congress on 80-90% of microenterprise spending and activities (by including bigger Missions with a record of significant microenterprise-related programming in the sample). In fact, MRR collected and verified roughly \$223 million in funding data for FY 2012. The reported \$223 million is 84% of the FY 2012 congressional earmark of \$265 million, and 78% percent of reported FY 2011 funds, so USAID/MRR achieved the expected outcome for FY 2012 Mission level reporting.

TASK B – MICROFINANCE, ENTERPRISE DEVELOPMENT AND ENABLING ENVIRONMENT INSTITUTION TRACKING

The second phase of MRR data collection includes partner-level outreach and tracking. During this phase, MRR collects results data from USAID implementing partners in order to report to Congress on the impact and outreach of USAID's investments in microenterprise programming during the given fiscal year. For work under Task B, the MRR team reaches out to all of the partner institutions identified by USAID Missions during Mission-level data collection. The MRR team also incorporates partner data related to USAID's Poverty Assessment Tool (PAT) implementation as well as Development Credit Authority (DCA) utilization. For the first time this year, MRR will also collect data obtained through partner implementation of the Progress out of Poverty Index (PPI).

Partner-level data collection for FY 2012 started officially on January 31, 2013, using the revised partner level survey, incorporating new data points per USAID's specifications. MRR assigned 138 partner level surveys for FY 2012 reporting, and with several rounds of partner follow up and reminders, along with continued technical support to reporters, the team had received responses from 113 as of the close of the quarter. Partner support and follow up continues into the current quarter, even as data verification, aggregation and analysis are also underway.

TASK C – USAID MICROENTERPRISE RESULTS REPORTING PUBLICATIONS

The MRR team has begun work on the FY 2012 MRR Annual Report to Congress, (due to Congress on June 30 each year), with the Mission and partner level data collection informing the report itself, and with initial FY 2012 data verification, aggregation and analysis being underway at the close of the quarter in question.

Under Task C, the team also prepares smaller reports and responds to other MRR-related queries throughout the year. As of March 31, 2013, the team had prepared the following items in response to USAID queries:

10/27/2010: analysis of USAID microenterprise obligations in Afghanistan and the MENA region between FY 2003 – FY 2009.

11/18/2010: analysis of USAID funding towards livestock, dairy and other animal husbandry activities worldwide in FY 2009.

02/10/2011: list of all USAID partners and their sub-recipients (reported in FY 2009) prepared for the MPEP office in response to an inquiry from Results Educational Fund.

03/10/2011: analysis of the following Congressional directives for the MPEP office in preparation for meeting with Congressional staff:

1. Increase investment in microfinance in Africa

Analysis of FY 2010 Mission-level data showed a 70% increase in investment in microfinance in Africa, from \$18,705,088 reported in FY 2009 to \$31,855,830 reported in FY 2010.

2. Make up to 25 percent of funding available to build institutional and human capacity of microfinance institutions

The MRR team was not able to analyze this directive for FY 2010, as this data is collected during the partner phase – therefore was not yet available at the time of the request.

3. Dedicate at least 50 percent of microfinance and microenterprise funds for grants and cooperative agreements to not-for-profit networks, practitioner institutions, and non-governmental organizations (NGOs).

Analysis of FY 2010 Mission-level data showed that 71% of microfinance and microenterprise funds were allocated towards grants and cooperative agreements.

4. Increase outreach to women, and the poor and very poor who are currently without access to financial services.

The MRR team was not able to analyze this directive for FY 2010, as this data is collected during the partner phase – therefore was not yet available at the time of the request.

5/27/2011: analysis of rural client percentages in Enterprise Development and Microfinance for the Bureau of Food Security.

08/19/2011: update for MPEP office on reported FY 2010 obligations from Associate Awards under FIELD support mechanism.

9/14/2011: analysis of USAID funding for microfinance and enterprise development from FY 2001 – FY 2010, including numbers of countries and clients reached.

12/01/2011: analysis of USAID funding for microfinance in FY 2008, FY 2009 and FY 2010, including information on region, partner, and partner type.

12/21/2011: analysis of microfinance funding to Sudan and Kenya in FY 2008, FY 2009 and FY 2010, including information on sub recipients, i.e. local partner microfinance institutions.

01/04/2012: provided MPEP office with information on MFI partner operational and financial sustainability.

02/06/2012: provided PAT project with information on USAID/Ghana partner reporting in years FY 2007 – FY 2010.

03/15/2012: submitted Activity Plan to USAID for cost effectiveness analysis work to be undertaken for FY 2011, and completed this analysis during the April – June quarter.

05/07/2012: provided PAT team with data on FY 2011 PAT reporting to facilitate their communication with partners specifically as it relates to PAT.

06/06/2012: provided PAT consultant with data on FY 2010 PAT reporting and FY 2010 PAT survey (with interim period where USAID is without a PAT implementation partner, the MRR team has provided some additional support in this area).

06/15/2012: provided PAT consultant with feedback from MRR reporters on PAT implementation and results.

6/29/2012: provided USAID with data needed for CGAP funder survey, including all microfinance-related funding reported to MRR for FY 2011.

07/30/2012, 08/07/2012, 08/16/2012: provided USAID with various analyses of historical MRR Mission and partner reporting information to assist in defining a meaningful, representative and reduced MRR reporting universe for FY 2012.

09/27/2012: With USAID having decided upon a sample size of 36 Missions and Bureaus for the FY 2012 reporting universe, the MRR team provided USAID with additional data to help identify the specific list, including:

- Mission and Bureau names (including all Missions and Bureaus surveyed for MRR FY 2011)
- FY2011 reported funding ("Responded, but no data to report"/ "Not reported"/amounts reported)
- Reporting Status (Reported/Responded/Not Reported)
- Year the mission last reported microenterprise funds to MRR
- Notes from Missions on reporting status if they did not have data to report for FY2011.

11/01/2012: assisted MPEP in responding to questions from US Congress on historical costs associated with MRR.

12/21/2012: responded to request from MPEP office for historical data on USAID investments in microfinance institutions.

1/31/2013: provided historical data on outreach to the poor for MPEP office presentation/panel discussion at the Microcredit Summit Campaign.

TASK D – MICROENTERPRISE RESULTS REPORTING WEBSITE

Website Hosting and Domain

In Year Three, DAI continues to host the MRR website at Peer 1 hosting. The website continues to run without any complications. DAI has communicated with Peer 1 about the upcoming project end (May 26th) and plans to cancel the hosting services with Peer 1 as of the end of May.

MRR has confirmed with eNom (the MRR domain name registrar and provider) that the MRR domain registration is paid through December 18, 2013. This means that no other entity may use the mrreporting.org address for any purposes, as it is reserved (paid for) through this time. While the MRR website will not be accessible on the internet after the hosting relationship with Peer 1 ends at the end of May 2013, the current MRR website domain will be available until December 2013. With this, and with all of the source code and website documentation, USAID and/or another firm will be able to bring the website back online whenever USAID decides to do so.

Website maintenance

DAI continued to work with partner IT firm WolfeReiter for MRR website maintenance, however their annual MRR website maintenance Purchase Order ended on December 15 2012. Given that the current MRR project will close in May 2013, DAI is beginning the preparations for transitioning into close-down, and has decided not to extend the maintenance agreement with WolfeReiter beyond Dec 15, 2012. WolfeReiter is under a separate Purchase Order to implement the revisions to the partner survey describe under Task B above, and will turn over all updated source code and website documentation upon completion of this work. DAI does not predict needing WolfeReiter's services beyond the completion of this task, and plans to manage any further, potential website maintenance issues in-house for the

remainder of the project. This is possible given long time MRR Database Administrator Gang Liu's resignation from subcontractor QED, whereby DAI proposed a combination of two personnel from its Office of Information and Technology Management (OIMT) to assume his responsibilities – one of whom is a software engineer and can also assist with any website maintenance that may arise.

KEY CONSTRAINTS AND OTHER ISSUES

On August 24, 2012, DAI learned that Gang Liu, part-time Database Administrator for the MRR project, would soon be leaving QED, (subcontractor to DAI on the MRR project). Mr. Liu's last day at QED was Sept 7, 2012. Since QED does not have other database personnel on staff, and did not plan to hire a replacement for Mr. Liu (with only 9 months remaining on the MRR project), DAI identified staff from DAI's Office of Information and Technology (OIMT) to support the MRR team for the FY 2012 reporting year. On November 1 2012, DAI proposed Database Administrator Satyadev Malladi and Software Engineer TK May, submitted along with the budget revision associated with the reduced reporting universe defined for FY 2012.

USAID did not provide approval for Mr. Malladi and Mr. May until March 21, 2013, so the project has been somewhat constrained during the 7 month period following Mr. Liu's resignation from QED. With knowledge transfer accomplished before Mr. Liu's departure, and certain database functions that the team was able to perform without the proposed database specialists, the project was able to function to certain degree during this period, but was delayed in being able to design and develop new database queries to run the FY 2012 data. This increases the level of difficulty for the team in being able to finalize the report early this year (given that the Congressional deadline is June 30, but the project ends on May 26th), so the team is working diligently to make up for the lost time without access to database specialist(s).

ANNEX A - PROJECT TIMELINE

MRR Workplan Tasks	<i>Performance Period - Condensed calendar in Year 3 due to May 26, 2013 Task Order end date (with MRR Annual Report due to Congress on June 30 each year, and MRR Methodology and Statistical Annexes normally prepared in July and August).</i>											
Project Year Three - reporting on FY 2012	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep
Task A - Tracking of Estimated and Actual Obligations												
A.1 Update and maintain point-of-contact information for Missions and Operating Units	●	●										
A.2 Update and distribute instructions to Missions	●	●										
A.3 Provide help desk support to Missions	●	●	●									
A.4 Obtain and review estimated and actual obligation data	●	●	●									
A.5 Resolve data problems	●	●	●									
A.6 Promote Mission data collection in Connections and on microLINKS	<i>Not in Year 3, since only 36 Missions included</i>											
A.7 Finalize Mission level data			●	●								
Task B - Microfinance, Enterprise Development, and Enabling Environment Institution												
B.1 Develop instructions for partner level reporting			●	●	●							
B.2 Update partner level contacts as needed			●	●	●							
B.3 Assign partner level questionnaires to partners				●	●	●						
B.4 Provide help desk support to reporting implementing partners				●	●	●	●					
B.5 Follow-up with implementing partners to improve response rates				●	●	●	●					
B.6 Ensure data accuracy through data cleaning & identify priority indicators for review				●	●	●	●					
B.7 Finalize partner level data				●	●	●						
Task C - USAID Microenterprise Results Reporting Publications												
C.1 Update database queries and run data required for FY 2012 reporting						●	●	●				
C.2 Conduct final data verification and cleaning						●	●	●				
C.3 Aggregate and analyze data required for FY 2012 reporting						●	●	●				
C.4 Collect additional information and/or language and prepare draft report						●	●	●				
C.5 Develop, produce, and disseminate the annual report	<i>Not in Year 3, given May 26th Task Order end date. USAID will manage final internal report approvals, submission to Congress, in-house printing and posting</i>											
C.6 Prepare MRR Methodology and Statistical Annexes						●	●	●				

MRR Workplan Tasks	<i>Performance Period - Condensed calendar in Year 3 due to May 26 , 2013 Task Order end date (with MRR Annual Report due to Congress on June 30 each year, and MRR Methodology and Statistical Annexes normally prepared in July and August).</i>											
Project Year Three - reporting on FY 2012	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep
Task D - Microenterprise Results Reporting Web Site												
D.1 Maintain the MRR website and database	●	●	●	●	●	●	●	●				
D.2 Conduct regular database and system backups	●	●	●	●	●	●	●	●				
D.3 Refine MRR services	●	●	●	●	●	●	●	●				
D.4 Develop new capabilities, as required/possible	●	●	●	●	●	●	●	●				
D.5 Address ad hoc inquiries for analysis	●	●	●	●	●	●	●	●				
D.6 Other tasks as assigned	●	●	●	●	●	●	●	●				
Poverty Tools and DCA												
Work with USAID and PAT to develop appropriate procedures for PAT data collection	●	●	●	●	●	●	●	●				
Work with USAID and PAT to develop language for Missions and partners on PAT	●	●	●	●	●	●	●	●				
Adapt questionnaires to include new PAT questions	●	●	●	●	●	●	●	●				
Share PAT results data with USAID and PAT						●	●	●				
Contact DCA to obtain information on guarantees						●	●	●				
Project Management												
Update operations manual	●	●	●	●	●	●	●	●				
Submit annual work plan	●	●	●	●	●	●	●	●				
Conduct regular meetings with USAID	●	●	●	●	●	●	●	●				
Manage project finances, including budget management and invoicing	●	●	●	●	●	●	●	●				
Manage subcontractors, vendors, and consultants	●	●	●	●	●	●	●	●				
Prepare quarterly financial reports	●	●	●	●	●	●	●	●				
Develop quarterly progress reports	●	●	●	●	●	●	●	●				
Develop final report							●	●				
Project closedown							●	●				

ANNEX B – FY 2012 MRR MISSION LIST

FY 2012
1 Afghanistan
2 Bolivia
3 Cambodia
4 Colombia
5 DR Congo
6 East Timor
7 Ethiopia
8 Georgia
9 Guatemala
10 Guyana
11 Haiti
12 Iraq
13 Jamaica
14 Kenya
15 Kosovo
16 Kyrgyzstan
17 Lebanon
18 Liberia
19 Macedonia
20 Malawi
21 Mali
22 MPEP
23 Moldova
24 Nepal
25 Nicaragua
26 Pakistan
27 Peru
28 Philippines
29 Regional Development Mission for Asia
30 Rwanda
31 South Sudan
32 Sri Lanka
33 Sudan
34 Tanzania
35 USAID/East Africa
36 Zambia
37 Zimbabwe